

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
)	CC Docket No. 99-200
Telephone Number Portability)	
)	

REPLY COMMENTS OF VONAGE HOLDINGS CORP.

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Executive Summary

Vonage Holdings Corp. (“Vonage”) submits these reply comments in support of reducing the timeframes associated with intermodal porting and applying those same reforms to the wireline-to-wireline porting process. Vonage provides an innovative Voice over Internet Protocol (“VoIP”) service to its customers that allow users to leverage the power of the Internet. While Vonage’s service transcends traditional telecommunications services, certain components of the circuit-switched network are essential to the Company’s business. Accordingly, as new technologies and services like Vonage’s proliferate, it is important for the Commission to understand how these services intersect with the existing telecommunications infrastructure. The efficient and timely porting of telephone numbers is critical to consumers and thus to Vonage. Delays and errors in the porting process slow the adoption of new technologies by customers and thwart competition.

In these comments, Vonage provides evidence that the porting system as a whole is in need of reform. Specifically, Vonage includes a spreadsheet detailing the timeframes for completing ports on a particular day in December, 2004. The ports involved customers porting their numbers from a variety of RBOCs to a single CLEC in order to utilize Vonage’s service. Of the 132 “simple port” requests, 28 (or approximately 21%) took six days to complete as measured from the time of the CLEC’s receipt of the Firm Order Commitment (“FOC”). This exceeds the industry guidelines by 100%. As poor as this result is, it is relatively prompt for the 18 (or approximately 14%) customers that had to wait 15 or more business days for their numbers to port, which is at least 500% more than the timeframe adopted by the Commission for wireline-to-wireline

ports. With the exception of one port that took 5 business days, the remaining 85 customers (or approximately 65%) of the total for this day in December waited between 7 and 14 business days to port from the receipt of a FOC.

In these comments, Vonage makes the following recommendations to the Commission: (1) carriers should be required to electronically submit and process Local Service Requests (“LSRs”) forms; (2) carriers should standardize forms utilized for change requests; (3) the Commission should examine the procedures and timeframes for processing port requests that are rejected and reevaluate what constitutes a valid port reject; (4) the Commission should reduce the timeframe associated with the activation process after a LSR has been accepted by the porting out carrier; (5) carriers should presume port requests are valid regardless of the features installed on a line; (6) the Commission should clarify that providers should not be required to obtain social security numbers when porting a wireless customer to their service; and (7) the Commission should extend any modifications made to the wireless-to-wireline porting process to the wireline-to-wireline porting process.

Vonage maintains that requiring the electronic submission of Local Service Requests (“LSRs”) and reducing the timeframe for activation after an LSR has been accepted by the porting out carrier would improve both the intermodal and the wireline-to-wireline porting process. But Vonage believes that other important parts of the porting process are also in need of reform. Specifically, standardization is needed among all of the carriers concerning the forms utilized to process porting requests. The use of multiple forms leads to mistakes and adds needless complexity to the process.

Another major area in need of reform is when incumbents reject port requests. Currently, all the timeframes developed by the industry and adopted by the Commission are based on an “error free” port. Incumbents are able to double the time it takes to process a port simply by rejecting it for any number of reasons. Reevaluation of what constitutes a valid port reject is required and timeframes should be established for processing port requests that have been rejected. Preferred carrier freezes and rejecting ports in order to confirm that a customer is aware that certain functionalities will be lost during the porting process are not valid reasons for rejecting a port when a customer is transitioning to a provider of VoIP services. Carriers should presume port requests are valid regardless of the features associated with a particular line.

The Commission should also make clear that when customers are porting telephone numbers from a wireless carrier to a wireline carrier, the wireline carrier does not have to provide the customer’s social security number to effectuate the port. Social security numbers are not collected by wireline carriers and there is no reason for requiring wireline carriers to collect such information for the sole purpose of processing ports from wireline carriers. Similarly, to the extent that the Commission does not adopt standardized forms for all carriers to use, the Commission should require consistency in the information required from customers in order to process all ports, whether they be intermodal or wireline-to-wireline.

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In order for all types of intermodal competition to flourish, it is critical that the Commission reform both the intermodal and the wireline-to-wireline porting processes. Currently, “pure” Voice over Internet Protocol (“VoIP”) providers cannot obtain telephone numbers directly from either the North American Numbering Plan Administrator or the Pooling Administrator, nor can they submit porting requests to carriers. VoIP providers like Vonage must work with certified carriers both to obtain telephone numbers and to port telephone numbers for use with their offering.

While ports between wireline carriers are classified as wireline-to-wireline ports, VoIP services like Vonage’s provide intermodal competition. Vonage’s service requires customers to use their broadband connections in order to make use of Vonage’s Internet application. Vonage customers can use their broadband connection as a communications service that is similar to the functionality provided legacy providers of telecommunications services.

VoIP services are rapidly becoming the “killer application” that is spurring demand for broadband services that, in turn, is resulting in added deployment of high-speed data networks. The importance of increasing broadband take rates in the United States cannot be overstated when there are a number of nations that have surpassed the United States in broadband penetration. Asia is rapidly emerging as the center of innovation for broadband services and devices.² In order to close the gap with other nations, it is essential for the Commission to enable customers to easily integrate broadband applications into their day-to-day life. An efficient number portability system is a key element in encouraging customers to adopt new technologies. Users are much

² Louis Trager, *Asia is Where It’s Happening in Service, Device Advances, Intel Executive Says*, COMM. DAILY, Dec. 9, 2004, at 7-8.

more eager to switch to a competitive VoIP provider if they can keep their numbers, avoiding added costs and inconvenience when switching. The porting system for intermodal and wireline-to-wireline ports must be reformed to account for today's market realities as well as to ensure that a streamlined, efficient system is in place should the Commission allow pure VoIP providers to port telephone numbers.

I. VONAGE'S RELIANCE ON THE PORTING PROCESS

Vonage's broadband communications service is used by nearly 400,000 customers in the United States and Canada. Vonage's customer base consists largely of residential and small business users. Vonage's service empowers users to individualize their communications services, reduce their monthly communications-related expenses, and receive superior customer support. One major attraction of Vonage's offering is that customers can continue to use their existing telephone number. It is Vonage's experience that when the porting process requires customers to wait an inordinate period of time potential users of Vonage's application may elect not to utilize the service at all. For these customers, efficient porting is a critical component of the service they receive from Vonage.

When a customer chooses to use Vonage's service and to retain their existing telephone number, Vonage must work with a carrier, *i.e.*, a competitive local exchange carrier ("CLEC"), to arrange for porting the number from the customer's existing carrier, which typically is a RBOC. After the new Vonage customer provides the appropriate authorization, Vonage works with the CLEC to transition the customer to Vonage's service. In most instances, Vonage is wholly reliant on the wireline-to-wireline porting

process in order to provide its VoIP service, although, in some cases, Vonage is converting a wireless customer to the Vonage service.

II. THE WIRELINE PORTING PROCESS IS BROKEN

In focusing on the problems associated with intermodal porting, the Commission does not analyze the weaknesses inherent in the wireline-to-wireline porting process. Specifically, the Commission assumes that there is a four-business-day porting interval for wireline ports;³ however, Vonage's experience demonstrates that this simply is not the case. In some instances, Vonage customers have waited four to six months to port their wireline telephone numbers to Vonage's service. But even a process that lasts "just" a month—not an uncommon timeframe—should be unacceptable for the industry and is clearly not in the best interest of consumers.

A. The Confirmation Process

The wireline-to-wireline porting process consists of confirmation and activation procedures. The first step of the confirmation procedure highlights a major problem with the porting process: facsimiles. In most cases, CLECs fax the LSRs to RBOCs. By utilizing facsimiles instead of an electronic interface, the LSR must be re-keyed into the recipient carrier's system for processing. Aside from the delay, the process is prone to typographical errors and other human errors that would not persist in an electronic system.

The NANC's analysis of the intermodal porting process illustrates the benefits associated with implementing a mechanized process for handling LSRs. The NANC estimates that a new service provider could reduce the Firm Order Confirmation ("FOC")

³ See *Second Notice*, ¶2. The wireline-to-wireline porting process was established by the North American Numbering Council ("NANC") and adopted by the Commission. See 47 CF.R. § 52.26.

interval from twenty-four hours to five hours.⁴ The *NANC Report* indicates that by not requiring the re-typing of the entry, the FOC interval would be reduced by nineteen hours.⁵ Other benefits would include making the system less susceptible to error. By implementing this one change, 45% of the time-savings associated with the NANC's recommendations for modifications to the intermodal porting process would be achieved. There is no reason for the Commission not to mandate the implementation of this modification to the wireline-to-wireline porting process.⁶

The activation process is further mired by the use of inconsistent forms among carriers. CLECs must maintain multiple forms that may require different information and require the submission of data in a format unique to each RBOC. Prior to submitting a LSR, CLECs must determine the appropriate form and submit it to the appropriate carrier. Data fields are often different from carrier to carrier. This introduces needless complexities and can be the cause for delay or port rejections. The use of standardized forms would simplify and reduce errors in the porting process.

Another element of transitioning a customer to a new provider that slows down customer change requests is errors. All the timeframes for wireline-to-wireline ports are based on an "error free" port. RBOCs recognize that if a port is rejected for errors, there is no longer any timeframe that governs the process, or, at the very least, the timeframe begins anew with the *minimum result* of doubling the timeframe for a port. This provides the RBOCs with a powerful incentive to find errors in the port request, as well as an

⁴ See *NANC Report & Recommendation on Intermodal Porting Intervals*, Prepared by the Intermodal Porting Interval Issue Management Group at 16 (dated May 3, 2004) ("*NANC Report*").

⁵ See *id.*

⁶ To the extent that a carrier operates outside of the top 100 Metropolitan Statistical Areas ("MSAs") and does not receive a significant amount of porting requests, the Commission's rules allow for waiver of any rule including the ones proposed by NANC and Vonage.

incentive to require more complicated forms that have a greater likelihood of errors. The longer it takes a customer to obtain a new service provider, the more money the RBOC collects from the customer and lengthy timeframes weaken the resolve of the customer porting out their number.

The vast majority of customers blame the new service provider for any delays associated with porting and begin to question their decision to change companies. This becomes an unfortunate first instance of customers interacting with Vonage, and although Vonage may not be the source of the problem, this is not transparent to customers. Problems with porting mean that customers begin their service with a highly negative experience and are accordingly less likely to retain service.

In many cases, forms are rejected as erroneous when in reality the discrepancy is due to a minor misspelling of a name (either in the file maintained by the RBOC or in the form submitted by the CLEC), differences in abbreviations used for addresses (*e.g.*, the CLEC form may indicated “ST” while the RBOC record spells out “Street”) and other minor inconsistencies. The Commission needs to develop a process that would establish appropriate reasons for rejecting a port request and mandate timeframes for error correction. Currently, incumbents have unfettered discretion to reject port requests and this is a major impediment to the porting process.

Additionally, in many instances, an incumbent carrier will reject the port request upon finding a single error and cease processing the form. The port request bounces back to the CLEC and to Vonage; the CLEC will resubmit the port request only to have it rejected again if another error is found further down the form. The Commission must

require carriers receiving porting requests to scan the entire form and identify all errors so as to minimize the number of times customers need to be contacted and minimize delays.

Ports are rejected for a wide variety of other reasons. For instance, if a customer has Distinctive Ring/Ring Master services associated with the line and requests porting, the incumbent will reject the port. The customer will then have to call their provider and remove this feature from their account. Incumbents have developed this policy ostensibly to confirm that the customer realizes that they will no longer have use of this feature. Customers who select Vonage's service are well aware that their phone service is going to transform upon that election. Vonage provides customers with the ability to turn on and off features that far exceed those available from legacy providers through the use of a simple web interface. No telephone calls are required and customers receive most features for free. In many cases, this type of functionality provided by Vonage is a major reason for the customer in choosing Vonage's service and the incumbent provider should not be able to impede the port because this feature was not first cancelled—this type of problem causes at minimum a doubling of the time for a port to occur. In order to avoid this type of port rejection, the Commission should require carriers to presume that it is improper to reject a port. The carrier porting out the telephone number has no liability under the Commission's unauthorized carrier change rules. Accordingly, there is no reason for the carrier to delay or interfere in any way with the port in any way.

Another problem area involves the tying of DSL service to basic service by incumbents resulting with the inability to port a number attached to an existing DSL line. Most monopoly providers of legacy telecommunications services require customers to

keep at least a basic service associated with the DSL line. Vonage has previously submitted comments concerning the anticompetitive nature of these practices.⁷ Prior to porting a telephone number with DSL activated, the customer that desires Vonage's service must order a *second* telephone line and number so as to transition the DSL service to that second telephone line. The port request for the customer's first telephone number can then be processed. The customer must then pay for the Vonage service, the basic service and the DSL service making the economics of the choice much less attractive. DSL tying is anticompetitive, interferes with customer choice, and requires customers to utilize two telephone numbers.

Preferred provider freezes can also result in the rejection of a port request. Carriers require customers to remove the freeze prior to porting the telephone number. When the ultimate provider of the communications service is a VoIP provider like Vonage, preferred provider freezes should not lead to a port rejection. Vonage customers must utilize broadband connections and specialized hardware to make use of the service. Unauthorized carrier changes cannot occur when the customer must purchase and install specialized customer premises equipment in order to make use of the service. The Commission should not allow incumbents to impede the adoption of new technologies by allowing the application of irrelevant rules to innovative service offerings.

B. The Activation Process

The activation portion of the porting process is also in need of reform. After a carrier receives and processes an error free port request, the carrier porting out provides the new carrier with a FOC. Within three-business day of receipt of the FOC, the

⁷ See WC Docket No. 03-251, Comments of Vonage Holdings Corp., (dated Jan. 30, 2004).

telephone number is supposed to be ported to the new carrier.⁸ The Commission states that certain factors can extend this timeframe such as the quantity of numbers being ported, the type of service impacted, use of UNEs, loop facilities or the involvement of resellers.⁹ Attached as Exhibit 1 is detail concerning 132 ports that were in process] on a single day in December. The ports involve a single CLEC with port requests pending with a number of RBOCs. The list includes only the “simple ports” in process.¹⁰ The customers were porting a single telephone number, with no additional services or features associated with the line, and were either residential or small business users. In order to obtain a FOC, a minimum of two and as many as ten business days have already transpired. As indicated by the spreadsheet, not one of these ports were completed within three business days of receipt of the FOC as established by industry standards. Of the 132 port requests, 28 (or approximately 21%) took six days to complete. This exceeds the industry guidelines by 100%. As poor as this result is, it was relatively prompt for the 18 (or approximately 14%) customers that had to wait 15 or more business days for their numbers to port, which is at least 500% more than the timeframe adopted by the Commission for wireline-to-wireline ports. With the exception of one port that took 5 business days, the remaining 85 customers (or approximately 65% of the total for this day in December) waited between 7 and 14 business days to port from the receipt of a FOC.

As demonstrated by the data assembled by Vonage, it is clear that the wireline-to-wireline porting process is broken and in need of reform. In order for effective intermodal competition, *i.e.*, VoIP, wireline, and wireless competition, the porting

⁸ See *Second Notice*, ¶5, n.16.

⁹ See *id.*

¹⁰ By a “simple port” we mean a single telephone number with no additional features associated with the line.

process must be streamlined so that the vast majority of porting requests are completed within five business days regardless of the services associated with a particular line.

The Commission is also seeking comment relating to the increase in inadvertent ports that may accompany a reduced porting interval.¹¹ Significantly, the *NANC Report* did not indicate why there would be an increase in inadvertent ports as a result of a reduced timeframe. Vonage questions why streamlining and making the porting process more efficient would result in increasing inadvertent ports. In any case, the Commission's unauthorized carrier change rules adequately address this issue. Liability for such changes rests squarely on the requesting carrier.¹² The solution to concerns associated with inadvertent ports lies with enforcing the existing rules and not in allowing an inefficient system to remain in place. Further, with regard to Vonage's service and other similar VoIP services, customers must install specialized equipment to make use of the service. Inadvertent ports are not an issue for VoIP services.

III. INTERMODAL PORTING ISSUES

Vonage has also experienced difficulties in transitioning telephone numbers from wireless providers. The most common problem Vonage encounters is insistence on supplying a social security number in order to port a telephone number. Many wireless carriers require their customers to provide social security numbers when signing up for service. Some of these carriers claim that the social security number also serves as verification that their customer desires the requested carrier change. Perhaps when a wireless customer is switching to a new wireless carrier, providing a social security number is not a problem. Typically, both carriers have a system for tracking and

¹¹ See *Second Notice*, at ¶12.

¹² See 47 C.F.R. § 64.1100 *et seq.*

protecting social security numbers and customers are accustomed to the requirement associated with wireless services; however, when porting from a wireless provider to a wireline provider, requiring the submission of a customer's social security number is neither practical nor desirable as a policy. Many customers, with good reason, are reluctant to provide their social security numbers because of privacy-related concerns. VoIP and wireline carriers should not have to track such information solely for purposes of ports to and from wireless carriers. The Commission should not require customers to surrender personal data unless absolutely necessary, which it is not.

Vonage is unable to assess the veracity of the claims by those wireless carriers that claim a social security number is required to confirm a porting request. A number of wireless carriers do not require Vonage to provide social security numbers when processing porting requests. Neither Vonage nor the CLECs that work with Vonage require social security numbers as part of the porting process. It is not asked of customers when they sign up for Vonage's service.

Earlier in these reply comments, Vonage advocated that the Commission adopt a standard LSR form that would be used by all carriers. To the extent that the Commission adopts this proposal, the social security number issue would be resolved – either all carriers will require it or none will. If the Commission chooses not to require the use of standardized forms by all carriers, the Commission must, at the very least, make clear that for wireless-to-wireline ports, social security numbers are not required. Wireline and wireless carriers should be required, at a minimum, to develop standardized information requirements that would eliminate the need for wireless carriers to receive a social security number in order to validate a wireless customer's request to port their number.

Regardless of the reforms adopted by the Commission for wireless-to-wireline porting, any reforms that improve the process should also be applied to wireline-to-wireline ports. Wireline porting is incredibly inefficient. It simply makes no sense for carriers in the wireline world to be subject to an inferior porting process when the same systems put in place for wireless-to-wireline ports could also be utilized by wireline carriers to improve a desperately inefficient system.

IV. CONCLUSION

Vonage believes that it is essential for the Commission to encourage intermodal competition through streamlining both the wireless-to-wireline and wireline-to-wireline porting processes. The current state of the industry requires pure VoIP providers like Vonage to rely on the wireline-to-wireline porting process which is inefficient, prone to error, and liable to be used more often to reject or delay ports. Accordingly, reform of the porting process is crucial if the Commission is to continue to encourage the development and deployment of broadband services and networks.

For these reasons, Vonage advocates that the Commission mandate the electronic submission of LSRs between all carriers. The Commission should require the industry to develop and utilize a standardized form for porting requests. Specific timeframes and guidelines should be established for rejecting ports and the Commission should reevaluate what constitutes a valid rejection of a port request. Carriers should presume that port requests are valid and not interfere with the porting process. The Commission should also reduce the activation timeframe after the port has been accepted by the carrier porting out the telephone number.

Wireline carriers should not be required to obtain social security numbers when porting wireless carriers to their service and, at the very least, standardized information for porting telephone numbers should be developed for processing wireline and wireless ports. Finally, whatever reforms the Commission chooses to implement to govern the wireless-to-wireline porting process should be extended to wireline-to-wireline ports.

Respectfully submitted,

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